# Louisiana Public Service Commission



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July 31, 2019

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## VIA EMAIL

LPSC RFP 19-11, Docket No. U-35324 - Southwestern Electric Power Re: Company (SWEPCO,) ex parte. In re, Application for Certification and

Approval of the Acquisition of Certain Renewable Resources.

To all LPSC qualified counsel:

Enclosed please find a Request for Proposals ("RFP") for outside independent technical counsel issued by the Louisiana Public Service Commission for the above referenced subject. If your firm is interested in submitting a proposal, please review the RFP carefully to determine whether your firm meets the specific requirements to qualify for this representation.

All Proposals must include a showing that your firm possesses the requisite qualifications and experience to represent the Commission in this matter. Also, please note that all Proposals, including the original, plus (5) five copies and an electronic copy must be received on or before August 26, 2019 at 4:30 p.m. Selection of a counsel is anticipated to take place at the Commission's September 18, 2019 **Business and Executive Session.** 

Should you have any questions, please do not hesitate to contact me.

Sincerely,

Kathryn H. Bowman **Executive Counsel** 

Enclosure

# 19-11 LOUISIANA PUBLIC SERVICE COMMISSION REQUEST FOR PROPOSALS ("RFP") July 31, 2019

DOCKET NO. U-35324 - Southwestern Electric Power Company (SWEPCO,) ex parte. In re, Application for Certification and Approval of the Acquisition of Certain Renewable Resources.

The Louisiana Public Service Commission ("Commission" or "LPSC"), in accordance with the requirements of the LPSC General Order dated November 10, 2014 regarding the selection of contract employees (the "Contract Order") to represent the Commission, issues this Request for Proposals ("RFP") to <u>outside counsel</u> who will assist Commission Staff in its review and analysis of SWEPCO's resource certification application resulting from the Request for Proposals for Wind Energy Resources (Docket No. X-35085). It is anticipated that qualifying proposals will be placed on the September 2019 Business and Executive Session ("B&E") Agenda for Commission consideration.

#### I. Overview

SWEPCO issued a Request for Proposals ("RFP") on January 7, 2019 seeking competitively priced wind energy resources on a turnkey basis through acquisition of the ownership interest in one or more wind projects totaling up to 1,200 MW physically located in, and interconnected to, the Southwest Power Pool in Arkansas, Louisiana, Texas, or Oklahoma. Any projects submitted must have had 100 MW minimum nameplate capacity that are either currently in commercial operation or that would achieve commercial operation by December 15, 2021. Concurrently with SWEPCO's RFP, American Electric Power Service Corporation administered a RFP on behalf of Public Service Commission of Oklahoma ("PSO") seeking the same wind energy resources in the same geographical area as SWEPCO through the acquisition of one or more wind projects. Both RFPs contemplated that any selected resources may be jointly owned by SWEPCO and PSO.

In house Staff, with the assistance of United Professionals Company ("UPC"), monitored the SWEPCO RFP process as required by the Commission's General Order dated October 29, 2008 (Docket No. R-26172 Subdocket C) ("Market Based Mechanism Order"). UPC was retained at the November 2018 B&E to assist in Docket No. X-35085 and the certification of any resources selected through that Docket.

The Commission's General Order dated September 30, 1983 ("1983 Order"), as amended by the Commission's Order R-30517, dated October 29, 2008, provides that no electric public utility shall enter into any contract for the purchase of capacity or electric power without first having applied to the Commission for a certification that the public convenience and necessity would be served by entering into the contract. Any firm power supply resources acquired by the Companies must be certified by the Commission in a docketed proceeding pursuant to its 1983 General Order. As a result, when a utility seeks to acquire or build capacity resources, it is required to make a formal application with the Commission including its detailed planning information.

SWEPCO filed the instant application on July 15, 2019 seeking certification of three wind facilities selected through SWEPCO and PSO's RFP processes totaling 1,485 MW, with SWEPCO's share being approximately 54%, or 810 MW. Of the total 810 MW, Louisiana's jurisdictional share will be approximately 270 MW, or 18%. SWEPCO's application was docketed as U-35324 and published in the Commission's Official Bulletin dated July 26, 2019 for a 25-day intervention period.

#### II. Scope of Representation

Applicants will be assisting Commission Staff with the certification proceeding pursuant to the Commission's 1983 General Order of SWEPCO's selected resources. Applicants will review the application, testimony, and other supporting documentation filed by SWEPCO to support the request for certification, along with any testimony filed by Intervenors. Applicants will assist in identification and research of legal issues, conduct and review discovery, assist in the preparation and defense of Commission direct and cross-answering testimony, review direct and cross-answering testimony prepared by other parties, prepare for and participate in a certification or stipulated hearing, examine witnesses before an administrative law judge, and make a recommendation to the Commission. Applicants will also be assisting Staff in preparation of any pre- and post-hearing briefs or filings, assisting in any settlement discussions and/or stipulation hearings and attendance and presenting the Staff's position at the Commission's B&E. Applicants are also required to participate in informal meetings, conference calls, attend depositions, status conferences, or any other meetings scheduled in the proceeding. The scope of representation is through a final Commission vote on certification.

All proposals shall include an outline of a plan of action for conducting the above scope of representation. However, the Commission and its Staff shall have the right to determine how the tasks will be carried out. In addition, all proposals shall be accompanied by a professional firm resume indicating the qualifications and experience necessary to meet the requirements of this RFP. Deviations from the requirements contained herein, or conditional bid amounts may result in rejection of the bid as non-conforming.

#### III. Period of Representation

The time period estimated to complete the Scope of Representation is approximately 12 months. However, this is merely an estimate and the Commission makes no representations as to the accuracy of the Period of Representation.

#### IV. Minimum Requirements

To be considered, all applicants must meet the following minimum requirements in addition to those provided in the Commissions General Order dated November 10, 2014. Consideration will be given to factors such as educational background and achievement, practical experience in the field of public utility practice and similar practice before other state public utility

commissions; in addition to the applicant's knowledge of Louisiana ratemaking standards, regulatory law, and formula rate plans.

Applicants shall also, at a minimum, be experienced in participating in cases involving public utility regulation, or other regulatory issues on administrative and judicial levels, including direct and cross-examination of witnesses, presentation of reports and recommendations, assistance in developing cross examination of adverse witnesses, and the analysis of pleadings, recommendations and exceptions. Consideration is given to indicia of competence such as previous experience in complex cases, publications, educational achievement and other previous employment suggesting competence in regulatory matters involving the above areas; significant personal experiences before regulatory agencies such as the SEC, FERC, FCC, or other similar entities may be a favorable factor. Firm size may be considered in matters likely to be prolonged, complex, or involving multiple forums.

The applicant shall be qualified and prepared to assist with respect to all of the issues addressed in this RFP and which are likely to arise in the proceeding. The applicant shall be experienced in public utility regulation and have knowledge of Commission ratemaking and jurisdictional issues and knowledge of appropriate accounting standards and practices for electric utilities.

### V. Estimate of Costs

All proposals shall include fees and costs associated with consulting in the dockets. All applicants responding to this RFP shall quote their rates on an hourly basis and submit a total budget, and shall separate professional fees from costs. However, applicants shall only be allowed to charge for actual hours of work performed and costs incurred. Once selected, an applicant's hourly rates and budget shall not be altered except by formal approval of the Commission.

#### VI. Conflict of Interest

Applicants shall prominently and separately disclose current, as well as past employment, which could possibly result in a conflict of interest. In addition, applicants shall disclose matters in which they currently represent clients before the Commission.

#### VII. Billing Guidelines

As required by the November 10, 2014 General Order, all bills will be rendered monthly and shall specifically identify and describe all work performed, the person performing such work, the time and charge for such work, and shall additionally show the total amount billed to date and the authorized original estimate. Bills will be rendered in strict accordance with the Commission's guidelines. Expenses shall also be separately disclosed with proof of such expenses attached.

Expenses, where applicable, shall be reimbursed at state authorized rates as specified in the Travel Policies and Procedures Memorandum issued by the State of Louisiana, Division of Administration in effect at the time such expenses are incurred ("Allowable Expenses"). Any

expenses that exceed the Allowable Expenses shall be borne by the contract employee and shall not be reimbursed by either the Commission, or the correspondent utility, unless otherwise specified by the Commission.

#### VIII. Reservation of Rights

The LPSC reserves the right to reject any and all proposals, to amend and/or supplement this RFP at any time, and to consider proposals or modifications thereof received at any time prior to LPSC vote at Open Session, if such action is found by the LPSC to be in the public interest. Pursuant to the General Order regarding the selection of contract employees, the LPSC has the right to accept other than the lowest offer with regard to price. In addition, there is also no assurance, express or implied, that an award will necessarily be made pursuant to this RFP.

# IX. Submission of Proposals

Interested parties should submit the original (hard copy), 5 copies, and e-mail an electronic copy of the proposal to:

Kim Trosclair Louisiana Public Service Commission Office of the General Counsel 602 North Fifth Street (Galvez Building) (70802) P.O. Box 91154 Baton Rouge, Louisiana 70821-9154

Phone: (225) 342-9888 Fax: (225) 342-5610

Email: kim.trosclair@la.gov kathryn.bowman@la.gov

To be considered, an original, five copies, and the electronic copy of the proposal must be received on or before Monday, August 26, 2019 at 4:30 p.m. Selection is anticipated to take place at the Commission's September Business and Executive Session, which is currently scheduled for September 18, 2019. Information concerning billing procedures and the Commission's RFP policy may be obtained from the address listed above, or by calling (225) 342-9888.